

## At a glance: Important information as of 1 January 2018 relevant for employers

As every year, 2018 has also important changes in the area of wage tax and the social security right. This article lists the most important changes you need to know for your current wage tax billing.

### Changes in income tax law

#### ELStAM-Procedure

- ELStAM-Data are obligatory for the employer
- Increase of the basic tax-free allowance

#### Travel expenses

- Foreign travel allowances have changed as of 1 January 2018 (attachment: Auslands-pauschalen)
- The rules regarding attestation "M" are extended until the end of 2018
- Benefits in kind values apply, corresponding with those for social insurance purposes for

breakfast: EUR 1.73

lunch/dinner: EUR 3.23

The price for the single meal must not exceed the amount of EUR 60.00.

- *Benefits in kind* up to EUR 44.00 monthly continue to be income tax-free. If this threshold is exceeded, the entire value of the benefit in kind will be subject to income tax. Flat-rate taxed benefits in kind are not to be included.

#### Tax relief for company pension schemes (Betriebsrentenstärkungsgesetz)

- Support/encouragement of company pension schemes of small entities and low-income earner
- Increase of wage tax exempt amount from 4 to 8 % of contribution ceiling (but for social insurance matters the rate of 4 % is still valid), in return the additional max. tax exempt amount of EUR 1,800.- is no longer valid
- Employer contribution for low-income earners with a monthly salary of max. EUR 2,200.- (employees including part time workers and marginal employments - with taxable or flat rate taxed salaries) in addition to the salary and min. EUR 240.-

→ Supporting contribution for employer of 30 % of the pension contribution, max. EUR 144.- yearly

→ Employer contribution for low income earner is tax exempt up to EUR 480.- yearly

- Instead of pension guaranty now commitments by employer contribution are possible if social partners are involved

### Changes in social insurance law

#### Contribution rates of social insurance

Health insurance:	14.60% (ER 7.3%, EE 7,3%)
Additional health insurance:	depends on health insurance company (borne by EE)
Average additional health insurance:	1.0%
Nursing care insurance:	2.55% (additional fee for childless 0.25%)
Statutory pension insurance:	18.60%
Unemployment insurance:	3.00%
Statutory insolvency insurance:	0.06%

For self-employed artists/journalists  
(Künstlersozialkasse): 4.2%

### Social insurance contribution ceilings

Health- and nursing care insurance for all Federal States:	EUR 4,425.-	monthly
	EUR 53,100.-	annually
Yearly statutory remuneration ceiling:	EUR 59,400.-	
Special yearly statutory remuneration ceiling:	EUR 53,100.-	
Pension and unemployment insurance:	monthly	annually
Old Federal States	EUR 6,500.-	EUR 78,000.-
New Federal States	EUR 5,800.-	EUR 69,600.-

### Subsidies to the health- and nursing care insurance

Members of private health insurance funds:	half of contribution; maximum:	
	Health insurance	EUR 323.03
	Nursing care insurance	EUR 56.42

- The maximum limit for earnings of persons in marginal employments amounts to monthly EUR 450.00. These "Minijobs" are insured in the statutory pension insurance, an exemption is possible. Marginal and short-term employees are obliged to disclose further marginal and/or short-term employments.
- Temporary employment occurs when employment does not exceed 3 months or 70 days.
- For low-income earners the limit remains unchanged at EUR 325.00. The employer must also bear the surcharge in the nursing care insurance for childless individuals.

### Monthly monetary value of benefits in kind

Free accommodation	EUR 226.-
Meals (total)	EUR 246.-
Breakfast	EUR 52.-
Lunch/or dinner resp.	EUR 97.-

### Due date of data transfer of statements of contributions paid and of payments of total social insurance contribution amounts (fixed by law)

Month	5th last bank business day (data transfer)	3rd last bank business day (payment)
January	25	29
February	22	26
March	23	27
April	24	26
May	25 (24)	22 (29)
June	25	27
July	25	27
August	27	29
September	24	26
October	24 (25)	26 (29)
November	26	28
December	19	21

- When health insurance companies are charging or raising the additional health insurance rate there is a special right of cancellation. The binding period after a health insurance exchange remains unchanged.

### Miscellaneous

- Minimum wage for (almost) all business lines EUR 8.84 (unchanged)

→ take into consideration generally binding collective agreements

- Employment of pensioners

- No more unemployment insurance contributions by the employer (limited until 2021)

- Maternity Protection Law

- More freedom of decisions for women

- Paid suspension will only be relevant if changes of working place or other kind of work are not possible

---

Diese Mandanteninformation enthält ausschließlich allgemeine Informationen, die nicht geeignet sind, den besonderen Umständen eines Einzelfalles gerecht zu werden. Sie hat nicht den Sinn, Grundlage für wirtschaftliche oder sonstige Entscheidungen jedweder Art zu sein. Sie stellt keine Beratung, Auskunft oder ein rechtsverbindliches Angebot dar und ist auch nicht geeignet, eine persönliche Beratung zu ersetzen. Sollte jemand Entscheidungen jedweder Art auf Inhalte dieser Mandanteninformation oder Teile davon stützen, handelt dieser ausschließlich auf eigenes Risiko. Deloitte GmbH übernimmt keinerlei Garantie oder Gewährleistung noch haftet sie in irgendeiner anderen Weise für den Inhalt dieser Mandanteninformation. Aus diesem Grunde empfehlen wir stets, eine persönliche Beratung einzuholen.

This client information exclusively contains general information not suitable for addressing the particular circumstances of any individual case. Its purpose is not to be used as a basis for commercial decisions or decisions of any other kind. This client information does neither constitute any advice nor any legally binding information or offer and shall not be deemed suitable for substituting personal advice under any circumstances. Should you base decisions of any kind on the contents of this client information or extracts therefrom, you act solely at your own risk. Deloitte GmbH will not assume any guarantee nor warranty and will not be liable in any other form for the content of this client information. Therefore, we always recommend to obtain personal advice.